

GARFUNKEL WILD, P.C.
111 Great Neck Road
Great Neck, New York 11021
Telephone: (516) 393-2200
Telefax: (516) 466-5964
Burton S. Weston
Afsheen A. Shah
Adam T. Berkowitz

*Proposed Counsel for Debtors
and Debtors in Possession*

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X
In re:

Chapter 11 Case

LONG BEACH MEDICAL CENTER, et al.

Case No. 14-____ (____)
(Jointly Administered)

Debtors.

-----X

**AFFIDAVIT OF BURTON S. WESTON IN SUPPORT OF
DEBTORS' APPLICATION TO EMPLOY AND RETAIN
GARFUNKEL WILD, P.C. AS GENERAL BANKRUPTCY
COUNSEL FOR DEBTORS AND DEBTORS IN POSSESSION**

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

Burton S. Weston, being duly sworn, deposes and says:

1. I am a shareholder of Garfunkel Wild, P.C. ("**GW**" or the "**Firm**"), which maintains offices for the practice of law at 111 Great Neck Road, Great Neck, New York 11021, Hackensack, New Jersey and Stamford, Connecticut. I am an attorney duly admitted to practice law in the State of New York and in the United States District Court for the Eastern District of New York.

2. This affidavit is submitted pursuant to sections 327(e) and 328(a) of title 11 of the United States Code (the "**Bankruptcy Code**") and Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") in support of the Debtors' Application for an

Order authorizing the Debtors and Debtors in possession (the “Debtors”)¹ to employ and retain GW as general bankruptcy counsel in these chapter 11 cases (the “Chapter 11 Cases”). Unless otherwise stated in this Affidavit, the facts set forth herein are based upon personal knowledge. To the extent any information disclosed herein requires amendment or modification, upon GW’s completion of further review and analysis or as additional party-in-interest information becomes available to it, a supplemental affidavit disclosing such information will be submitted to the Court reflecting such amended or modified information.

3. GW has a well established practice in the field of insolvency, reorganization and bankruptcy law, as well as substantial expertise in healthcare, secured lending, finance, regulatory, corporate, banking, real estate, litigation and other practice fields which are of value in these cases.

4. For approximately thirty (30) years GW has represented LBMC and Komanoff as general counsel providing a broad array of legal services including healthcare, financing, litigation and real estate related work. As a consequence, GW is intimately familiar with the Debtors’ business and financial affairs and the circumstances surrounding the Debtors’ chapter 11 filings.

5. In July, 2013, as the Debtors’ financial circumstances continued to deteriorate, GW was asked by the Debtors to provide advice with respect to its exigent financial issues, including among other things, (i) assisting in the development of a restructuring plan or asset disposition that addressed existing indebtedness (ii) assisting in the negotiation,

¹ The debtors in these chapter 11 cases, along with the last four digits of each debtor’s federal tax identification number include: Long Beach Medical Center (5084) (“LBMC”) and Long Beach Memorial Nursing Home, Inc. dba The Komanoff Center for Geriatric and Rehabilitative Medicine (3422) (“LBMNH”).

documentation and closing of any potential transaction to partner with another healthcare system for the preservation and expansion of healthcare delivery in the Debtors' community; (iii) interfacing with the NYS Department of Health, CMS and any other regulatory agencies in the implementation of any restructuring or merger plan; (iv) providing any related transactional or litigation counsel or advice that may be required; and (v) providing representation and counsel in developing and implementing strategies to deal with creditor constituencies. .

6. In the months leading up to the Chapter 11 filing, GW has been actively involved in this engagement. In addition to the significant work required to prepare the filing, including, *inter alia*, the preparation of the petitions, schedules, statement of affairs, ancillary documents and first day motions, the negotiation and documentation of loan facilities and drafting of a motion to approve DIP financing, GW has devoted a substantial amount of time over the last several months negotiating the terms of an asset purchase agreement with the South Nassau Communities Hospital ("SNCH") and preparing a motion to approve bid procedures and the sale of substantially all of the Debtors' operating and real estate assets (collectively, the "**Preparation Services**"). GW has also assisted the Debtors relative to the pending construction litigations filed against the Debtors by various vendors in connection with services rendered by the vendors relative to the restoration of the Debtors premises (the "**Construction Litigation**") and has assisted the Debtors with the preparation of a proper response to various subpoenas and administrative demands issued by the Medicaid Fraud Control Unit ("**MFCU**") relating to a regulatory investigation commenced by the MFCU (the "**Komanoff Investigation**").

7. GW submits that its continued retention as general bankruptcy counsel is essential to the effective and efficient administration of this estate and the successful prosecution of these Chapter 11 Cases. Indeed the substitution of other counsel at this juncture which does

not share the working knowledge of these Debtors' and the familiarity with the sale process would add unnecessarily to the costs of administration of this estate. It is thus in the best interests of the estates that the continued representation of GW as bankruptcy counsel be approved.

GW'S CONNECTIONS WITH THE DEBTORS

8. In accordance with the provisions of Section 327(a) of the Bankruptcy Code and except as otherwise set forth herein, neither I, GW, nor any member, counsel or associate of the Firm is connected with the Debtors, their creditors, other parties-in-interest or the United States Trustee or any person employed by the Office of the United States Trustee, and, to the best of my knowledge, after due inquiry, GW does not, by reason of any direct or indirect relationship to, connection with or interest in the Debtors or other parties-in-interest hold or represent any interest adverse to the Debtors or to their estates.

9. Except as otherwise set forth herein, to the best of my knowledge, after due inquiry, neither I, GW, nor any member, counsel or associate of the Firm represents any entities other than the Debtors in connection with the Debtors' Chapter 11 Cases. In addition, except as set forth herein, to the best of my knowledge, after due inquiry, neither I, GW, nor any member, counsel or associate of the Firm represents any party-in-interest other than the Debtors in these Chapter 11 Cases.

GW DISCLOSURE PROCEDURES

10. In preparing this Affidavit, a specific set of procedures developed by GW was used to ensure compliance with the Bankruptcy Code and the Bankruptcy Rules regarding the retention of professionals by a Debtors under the Bankruptcy Code. Pursuant to such

procedures, GW submitted to its computer conflicts identification database (the "Database") the names of the following parties ("Parties in Interest") as set forth in detail on Exhibit A to this Affidavit:

- (a) the Debtors and their affiliates;
- (b) the Debtors' officers, trustees and directors;
- (c) parties to significant litigation with the Debtors;
- (d) known secured creditors; and
- (e) the thirty (30) largest creditors for the Debtors.

11. A conflicts check was performed to determine whether there were any connections between GW and any of the Parties in Interest. To the extent connections were found, they were compiled for purposes of preparing this Affidavit and reviewed by GW to determine whether any such connections would pose a conflict of interest.

12. Any matches between the Database and the list of potential Parties-in-Interest were identified, together with the names of the respective GW personnel responsible for the current or former matters for the entities on the list. The matches were thoroughly reviewed and compiled for the purpose of this Affidavit. While in part GW may have represented or may have otherwise been involved in matters with such parties-in-interest, none of those representations are continuing or pose any conflict in respect of the matters upon which it is to be engaged herein.

13. GW, in matters unrelated to the Chapter 11 Cases, has and may continue to represent the following Parties in Interest:

(a) South Nassau Communities Hospital ("SNCH"): SNCH is the prospective purchaser of the Debtors' assets under an asset purchase agreement that will be the subject of a sale motion filed with the Court. Historically, GW has provided unrelated health care services to SNCH, including advice and counsel to SNCH on regulatory and compliance matters, clinical integration, medical bylaws, various service agreements and the handling of mental hygiene hearings. The provision of these services are ongoing. In 2012, GW received gross fees from SNCH of \$146,148.38, in 2013 \$146,304.70 and in 2014 (to date) \$9,246.35. SNCH has provided a waiver letter relative to GW's representation of the Debtors in these matters, a copy of which is attached as Exhibit B. Further, the GW attorneys who work on the unrelated matters for SNCH do not have, and will not have any involvement in the representation of the Debtors or the work GW has and will continue to do in the Chapter 11 Cases. As noted above, as a general matter, the firm implements a policy in cases such as this avoiding any involvement of, or discussions of the Chapter 11 Cases with the attorneys of GW who work on unrelated matters for SNCH.

(b) Medline Industries ("Medline"): Medline is a general unsecured creditor of the Debtors. Since the late 1990s GW has provided periodic health care advice to Medline related to HIPPA and corporate compliance programs, general compliance matters, and periodic related transactional work. None of the work related in any manner to the Debtors. In 2012, GW did not receive any fees from Medline. In 2013, GW has received \$636.50 and in 2014 (to date) has received \$9,803.79.

14. As to each of the parties identified above, GW has determined that: (a) revenues generated from each of the Parties of Interest represents less than 1% of GW's total collections for its last twelve (12) months; and (b) to the extent GW represented any such Party of Interest, such representation was wholly unrelated to the Debtors' Chapter 11 cases.

15. GW regularly updates its conflicts check system which is capable of immediately identifying every adverse party and the attorney in the Firm who is knowledgeable about the matter. The system includes every matter on which the Firm is now or has been engaged. The Firm does not open any new matter without completing or submitting to those

charged with maintaining the conflict check system, the information necessary to check each such matter for conflicts, including the identity of the prospective client, the matter, and related and adverse parties. GW will continue to apply the conflicts and disclosure procedures to the Debtors' Chapter 11 Cases as additional information concerning entities having a connection with the Debtors is developed and will file appropriate supplemental disclosure with the Court, as necessary.

GW IS A DISINTERESTED PARTY AS REQUIRED BY THE CODE

16. GW is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, in that GW, its members, counsel and associates:

(a) except for the Prepetition Services and work in connection with the Construction Litigations, the Komanoff Investigation, for which Debtor received payment prior to the filing (as outlined below), and any unpaid portion of such services which may be outstanding prior to the filing of the Chapter 11 cases, GW has agreed to waive any claim for other prepetition services rendered to LBMC an LBMNH. As of the Petition Date, the amounts owed GW by LBMC for other unrelated services, extending back to 2009, totaled 392,063.89 (the "**Unrelated Prepetition Claim**"). As noted, GW is waiving any and all rights to assert such Unrelated Prepetition Claim and, as such, is not a creditor or insider of the Debtors;

(b) are not and were not investment bankers for any outstanding securities of the Debtors;

(c) has have not been within, three (3) years of the Petition Date, investment bankers for securities of the Debtors or an attorney for such an investment banker in connection with the offer, sale, or issuance of the Debtors' securities; and

(d) are not and were not, within two (2) years of the Petition Date, a director, officer or employee of the Debtors or of any investment banker as specified in subparagraph (b) or (c) above.

17. Accordingly, to the best of my knowledge, through diligent inquiry, and after following the procedures described herein, I have ascertained that neither I, GW, nor any of

its members, counsel or associates, represents any other entity having an adverse interest in connection with these Chapter 11 Cases. Further, to the best of my knowledge, through diligent inquiry and after following the procedure described herein, except as otherwise set forth herein, I have ascertained that GW holds no interest adverse to the Debtors or their estates and is disinterested with respect to the matters upon which GW is to be employed.

COMPENSATION AND BILLING PRACTICES

18. It is contemplated that GW will seek compensation based on its normal hourly rate in effect for the period in which services are rendered and will seek reimbursement of necessary and reasonable out-of-pocket expenses, subject to the approval of this Court and compliance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules for the United States Bankruptcy Court for the Eastern District of New York, the United States Trustee's Guidelines for Fees and Disbursements, and any administrative orders issued by the Court. It is also contemplated that GW will seek interim compensation and reimbursement of expenses in accordance with an Order of this Court establishing procedures for monthly compensation and reimbursement of expenses pursuant to sections 330 and 331 of the Bankruptcy Code.

19. GW will utilize partners and associates in various areas of expertise to prosecute this case. The rates to be charged by professionals from GW who will work on this matter range from \$190 - \$535 per hour and its rates for paraprofessionals range from \$145 - \$225 per hour. The attorneys who will be primarily to be responsible for providing services to the Debtors and their respective billing rates are as follows:

Burton Weston (Partner)	\$535 per hour
Afsheen Shah (Partner)	\$430 per hour

Adam T. Berkowitz (Senior Attorney)	\$355 per hour
Karen L. Rodgers (Partner)	\$395 per hour
Andrew J. Schulson (Partner)	\$460 per hour

20. These are GW's hourly rates for work of this nature and are subject to periodic adjustments to reflect economic and other conditions. The Debtors understand that other attorneys and paralegals may serve the Debtors from time to time in connection with these cases. The hourly rates set forth above are the standard rates charged to bankruptcy and non-bankruptcy clients for the types of services to be performed herewith. These rates are set at a level designed to fairly compensate GW for the work of its attorneys and paralegals and to cover routine overhead expenses. It is GW's standard policy to charge its clients for all expenses incurred in connection with a client's case, including, telephone and telecopier toll charges, teleconferencing charges, photocopying charges, travel expenses, and non-ordinary course overhead expenses, *i.e.*, secretarial overtime. The amounts charged by GW for such expenses are consistent with charges billed to other similar clients.

21. In connection with Preparation Services, the Construction Litigation, the Komanoff Investigation and the services GW will render in this case, GW received a prepetition retainer of \$474,000 (the "**Initial Retainer**") on January 2, 2014 and another \$150,000 on February 18, 2014 (the "**Supplemental Retainer**", and, together with the Initial Retainer, the "**Retainer**") Prior to the Petition Date, \$439,166.59 of the Retainer was applied to the payment of current fees in the following manner: (i) \$55,835.40 to services in connection with the Construction Litigation; (ii) \$129,287.49 to the Komanoff Investigation; (iii) \$254,043.70 relative to Preparation Services; and (iv) \$116,567.00 to work in process in connection with each of these categories of services estimated through the Petition Date. As of the Petition, GW

estimates that after application to then existing work in process the balance of the Retainer is approximately 68,266.41.

22. In the 90 days prior to the Petition Date, GW has received (in addition to the Retainer) payments totaling \$90,000 as follows:

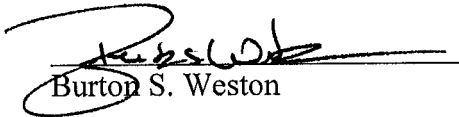
DATE	AMOUNT
November 22, 2013	\$40,000
December 18, 2013	\$50,000
TOTAL	\$90,000

23. GW applied the \$40,000 payment to current billings in connection with the Komanoff Investigation and the \$50,000 payment to current billings in respect of the Komanoff Investigation (\$42,517.15) and Construction Litigation (\$7,482.85). A precise disclosure of the amounts or credits held, if any, as of the Petition Date will be provided in GW's first interim fee application for postpetition services and expenses to be rendered or incurred for or on behalf of the Debtors. The unapplied residual retainer, which is estimated to total approximately \$[287,640.75.] will not be segregated by GW in a separate account, and will be held until the end of these Chapter 11 cases and applied to GW's final approved fees in these proceedings

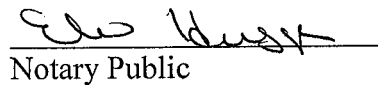
24. The Debtors propose allowing GW to retain the remaining balance of the Retainer to ensure payment of GW's fees and expenses during the pendency of these Chapter 11 cases. GW will only apply the retainer consistent with an order of this Court authorizing same.

25. No promises have been received by or made to GW, any of its members, counsel or associates, as to compensation in connection with these cases other than in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules. GW has not agreed to share compensation received in connection with these cases with any other person, except as permitted by section 504(b) of the Bankruptcy Code and Bankruptcy Rule 2016 in respect of the sharing of compensation among members of GW.

26. The foregoing constitutes the statement of GW pursuant to sections 327, 329 and 504 of the Bankruptcy Code and Bankruptcy Rules 2014(a) and 2016(b).


Burton S. Weston

Sworn to before me this
19th day of February, 2014


Notary Public

Notary Public, State of New York
No. 4953364

Qualified in Nassau County

ELLEN H. HUGGLER
Notary Public, State of New York
No. 4953364
Qualified in Nassau County
Commission Expires July 10, 2015

Exhibit A

Conflict List

Hospital Top 50

EMPIRE HEALTHCHOICE HMO, INC	PO BOX 11744	0	NEWARK NJ 07101-4744
NYS UNEMPLOYMENT INSURANCE	PO BOX 4301	0	BINGHAMTON NY 13902-4301
EMPIRE HEALTHCHOICE ASSURANCE INC	PO BOX 11744	0	NEWARK NJ 07101-4744
HIP	PO BOX 9329 GPO	0	NEW YORK NY 10087-9329
LIPA	ATTN: SUZANNE BRIENZA	15 PARK DRIVE	MELVILLE NY 11746
MEDLINE INDUSTRIES INC	BOX 382075	0	PITTSBURGH PA 15251-8075
GARFUNKEL WILD, PC	111 GREAT NECK RD	0	GREAT NECK NY 11021
STATE INSURANCE FUND	PO BOX 5262	0	BINGHAMTON NY 13902-5262
NES KIM JONES	PO BOX 277001 (800) 510-5501	0	ATLANTA GA 30384-7001
NATIONALGRID	ATTN: SUZANNE BRIENZA	15 PARK DRIVE	MELVILLE NY 11746
ALLEN HEALTH CARE	LOCKBOX DEP ACCT 4832042876	PO BOX # 417780	BOSTON MA 02241-7780
AMERISOURCE BERGEN	LOCKBOX #642755	PO BOX 642755	PITTSBURGH PA 15219-2755
BETTER HOME HEALTH	310 MERRICK ROAD	0	ROCKVILLE CENTER NY 11570
SUNQUEST HOSPITAL SYSTEMS	PO BOX 75214	0	CHARLOTTE NC 28275-0214
ADMS	385 SENECA AVE	0	RIDGEWOOD NY 11385
PHYSICIANS RECIPROCAL INSURERS	JEANNE H BRAUN, SR VP	1800 NORTHERN BLVD.	ROSLYN NY 11576-5897
HESS SMALL BUSINESS SERVICES	1040 EAST 149TH STREET	0	BRONX NY 10455-5014
NEW YORK BLOOD CENTER	ACCTS RECEIVABLE DEPT	PO BOX 9674	UNIONDALE NY 11553-9814
IRON MOUNTAIN RECORDS MGMNT	PO BOX 27128	0	NEW YORK NY 10087-7128
QUEST DIAGNOSTICS	7402 COLLECTION CENTER DR	0	CHICAGO IL 60693
TOSHIBA AMERICA MEDICAL SYSYSTEMS	PO BOX 91605	0	CHICAGO IL 60693
NTT DATA, INC	PO BOX 4201 (617) 241-9200	0	BOSTON MA 02211
BECKMAN COULTER INC	DEPT CH10164	0	PALANTINE IL 60055-0164
BROWN & BROWN	595 STEWART AVENUE	0	GARDEN CITY NY 11530
FIRE COMMAND CO	PO BX 337	0	LONG BEACH NY 11561-0337
LOEB & TROPER	655 THIRD AVENUE	12TH FLOOR	NEW YORK NY

			10017
LBH249 LLC HOPE	2555 OCEAN AVENUE (718) 616-2000	0	BROOKLYN NY 11229
RISK MANAGEMENT PLANNING GROUP	PO BOX 528	0	MINEOLA NY 11510
ROYAL DISPOSABLE IMP & DOMESTIC	57-00 49TH PLACE	0	MASPETH NY 11378
HANYS	PO BOX 5535 GPO	0	NEW YORK NY 10087-5535
GEM HEALTH CARE AGENCY	49 WEST MERRICK ROAD	SUITE 201	FREEPORT NY 11520
GEM HEALTH CARE AGENCY	49 WEST MERRICK ROAD	SUITE 201	FREEPORT NY 11520
RELAY HEALTH	PO BOX 403421		ATLANTA GA 30384-3421
GE HEALTHCARE	PO BOX 640944		PITTSBURG PA 15264-0944
JZANUS CONSULTING INC	170 JERICHO TURNPIKE		FLORAL PARK NY 11001
BAXTER HEALTHCARE CORP	PO BOX 33037		NEWARK NJ 07188
US SECURITY ASSOC INC	PO BOX 931703		ATLANTA GA 31193
AIRGAS EAST	PO BOX 827049		PHILADELPHIA PA 07049-2807
VERIZON	PO BOX 15124		ALBANY NY 12212-5124
JAMAICA ASH & RUBBISH REMOVAL CO	172 SCHOOL STREET	PO BOX 833	WESTBURY NY 11590
HEALTH CARE LOGISTICS	PO BOX 400		CIRCLEVILLE OH 43113-0400
PARK EAST CONSTRUCTION	266 EAST JERICHO TPKE		S HUNTINGTON NY 11746
SIMPLEX GRINNELL	DEPT CH 10320		PALANTINE IL 60055-0320
MATTOO & BHAT MEDICAL ASSOCIATES	23-14 COLLEGE POINT BLVD		COLLEGE POINT NY 11356-2526
WILLIAM LIPSKY MD	977 MARCEL RD		BALDWIN HARBOR NY 11510
EMPOWER SYSTEMS	2000 SPRING ROAD	SUITE 200	OAK BROOK IL 60523
J&J HEALTH CARE SYSTEMS	5972 COLLECTIONS CENTER DRIVE		CHICAGO IL 60693-6663
COMPUTRITION INC	8521 FALLBROOK AVE	SUITE 100	WEST HILLS CA 91304-4689
HORIZON HEALTHCARE STAFFING	20 JERUSALEM AVE	3RD FLOOR	HICKSVILLE NY 11801
MED ASSETS	PO BOX 405652		ATLANTA GA 30384-5652

Nursing Home Top 50

CHEMRX ATTN: SUSAN MITCH	PO BOX 1060 (516) 889-8770		LONG BEACH NY 11561
NYS UNEMPLOYMENT INSURANCE	PO BOX 4301		BINGHAMTON NY 13902-4301
LIPA	ATTN: SUZANNE BRIENZA	15 PARK DRIVE	MELVILLE NY 11746
MEDLINE INDUSTRIES INC	BOX 382075		PITTSBURGH PA 15251-8075
HIP	PO BOX 9329 GPO		NEW YORK NY 10087-9329
EMPIRE HEALTHCHOICE ASSURANCE INC	PO BOX 11744		NEWARK NJ 07101-4744
SAVORY FOOD SERVICE INC	PO BOX 125		HOLTSVILLE NY 11742-0901
ROYAL DISPOSABLE IMP & DOMESTIC	57-00 49TH PLACE		MASPETH NY 11378
WOLF, HALDENSTEIN, ADLER,FREEMAN	270 MADISON AVENUE	ATTN: BRETT NUSSBAUM	NEW YORK NY 10016
EMPIRE HEALTHCHOICE HMO, INC	PO BOX 11744		NEWARK NJ 07101-4744
CITY OF LONG BEACH	1 W CHESTER ST		LONG BEACH NY 11561
EMPIRE RECOVERY LOCKBOX	PO BOX 92221		CLEVELAND OH 44193
BURLODGE USA INC	3760 INDUSTRIAL DRIVE (336) 776-1010		WINSTON SALEM NC 27115
HEMOCARE CONCEPTS	1095D ROUTE 110		FARMINGDALE NY 11735
DEPENDABLE DENTAL	1347 LINCOLN AVE (631) 738-9729		HOLBROOK NY 11741
STATE INSURANCE FUND	PO BOX 5262		BINGHAMTON NY 13902-5262
NATIONALGRID	ATTN: SUZANNE BRIENZA	15 PARK DRIVE	MELVILLE NY 11746
CREAM-O-LAND DAIRIES LLC	BOX 143		FLORENCE NJ 08518
HORIZON HEALTHCARE STAFFING	20 JERUSALEM AVE	3RD FLOOR	HICKSVILLE NY 11801
CCLC	555 WEST 57TH STREET		NY NY 10019
SHELLEYS PRIME MEAT	700 BERGEN AVE		JERSEY CITY NJ 07306
US SECURITY ASSOC INC	PO BOX 931703		ATLANTA GA 31193
JOHNSON CONTROLS INC	PO BOX 905240		CHARLOTTE NC 28290
LEADING AGE NEW YORK	13 BRITISH AMERICAN BLVD	SUITE 2	LATHAM NY 12110-1431
FIRE COMMAND CO	PO BX 337		LONG BEACH NY 11561-0337
ZIMMET HEALTHCARE SERVICES	4006 ROUTE 9 SOUTH		MORGANVILLE NJ 07751
INTERIOR FOLIAGE DESIGN INC	37-24 33RD STREET (718) 784-4527		LONG ISLAND CITY NY 11101
RXIII PHARMACY	PO BOX 203		OAKDALE NY

ASSOCIATES			11769
CMS COMPLIANCE GROUP	68 SOUTH SERVICE ROAD	SUITE 100	MELVILLE NY 11747
THYSSEN KRUPP ELEVATOR	PO BOX 933004		ATLANTA GA 31193-3004
DIAMOND GROUP	357 WILSON AVE	BLDG#14	NEWARK NJ 07105
DAV-MAR MEDICAL PRODUCTS	35 EAST GRASSY SPRAIN ROAD		YONKERS NY 10710
GARFUNKEL WILD, PC	111 GREAT NECK RD		GREAT NECK NY 11021
KCI USA	PO BOX 203086		HOUSTON TX 77216-3086
DIESEL SYSTEMS	175 LIBERTY STREET		COPIAGUE NY 11726
SIMPLEX GRINNELL	DEPT CH 10320		PALANTINE IL 60055-0320
SIZEWISE RENTALS	PO BOX 320		ELLIS KS 67637
LESTER E. OZIMKOWSKI ESQ	8 GOLDENROD AVE	PO BOX 219	NORTHPORT NY 11768
MODS	1055 MONTAUK HIGHWAY (800) 562-2602		EAST PATCHAGUE NY 11772
2210 PIZZA CORP	2232 VICTORY BOULEVARD		STATEN ISLAND NY 10314
WEEKS LERMAN GROUP	58-38 PAGE PL		MASPETH NY 11378
ROSEMARY RYAN	375 EAST BAY DRIVE		LONG BEACH NY 11561
HARMONY ENTERTAINMENT INC	PO BOX 992		FARMINGDALE NY 11735
GHI	PO BOX 2857		NY NY 10116
CURASPAN	DEPT 2869	PO BOX 122869	DALLAS TX 75312-2869
ALLSTATE MEDICAL SUPPLIES	34 35TH STREET BUILDING #4 (718) 369-7100		BROOKLYN NY 11232
ESTATE OF GLORIA DELEON	C/O RENEE HARKER	160 MAXSON AVE	FREEPORT NY 11520
DRISCOLL FOODS	174 DELWAWANNA AVENUE (973) 672-9400		CLIFTON NJ 07014
ASSOCIATED GERIATRIC INFO NETWORK	666 PELHAM ROAD	SUITE 4N	NEW ROCHELLE NY 10805
CORT BUSINESS SERVICES CORP	2980 SWITZER AVENUE		COLUMBUS OH 43219

FEMA - HOSPITAL

LVI NORTHSTAR			6,700,000
DMS DISASTER RECOVERY CONSULTANTS	3651 FAU BLVD. SUITE 400	BOCA RATON, FL 33431	1,013,278
PARK EAST CONSTRUCTION	266 EAST JERICHO TPKE	S HUNTINGTON NY 11746	579,583

ROLANDS ELECTRIC	307 SUBURBAN AVE.	DEER PARK, NY 11729	543,926
JRM CONSTRUCTION			500,000
EMS RESTORATION	200 BLYDENBURGH RD	ISLANDIA, NY 11749	293,943
MODERN MEDICAL SYSTEMS CO	170 FINN COURT	FARMINGDALE NY 11735	283,390
SERVPRO			217,579
NOUVEAU ELEVATOR	74 CALYER STREET (718) 349-4700	BROOKLYN NY 11222	61,000
COMMUNICATIONS INC	55-02 BROADWAY	WOODSIDE NY 11377	51,255
SHORE GROUP	460 WEST 35TH STREET (917) 589-1285	NEW YORK NY 10001	45,135
VVA, LLC	117 EAST 31ST STREET	NEW YORK NY 10016	42,900
FIRE COMMAND CO	PO BX 337	LONG BEACH NY 11561-0337	41,075
OMEGA ENVIROMENTAL SERVICES	280 HUYLER ST.	SOUTH HACKENSACK, NJ 07606	30,436
SIMPLEX GRINNELL	DEPT CH 10320	PALANTINE IL 60055-0320	29,815
RBSD ARCHITECT	161 WILLIAM ST	NEW YORK NY 10038	25,325
BARRETT CO INC	203 LONG BEACH RD	ISLAND PARK NY 11558	1,675
CEM CONSTRUCTION	2 SEAMEN AVENUE	BETHPAGE NY 11714	
DICE COMMUNICATIONS	2504 SO 156TH CIRCLE	OMAHA NE 68130	
DIMITRI ENTERPRISES	135 58TH ST.	BROOKLYN, NY 11220	
FISHER HEALTHCARE	PO BOX 3648	BOSTON MA 02241-3648	
MEDLINE INDUSTRIES INC	BOX 382075	PITTSBURGH PA 15251-8075	

FEMA – Nursing Home

FIRE COMMAND CO	PO BX 337	LONG BEACH NY 11561-0337	289,181
DMS DISASTER RECOVERY CONSULTANTS	3651 FAU BLVD. SUITE 400	BOCA RATON, FL 33431	156,000
SERVPRO			124,290
ROLANDS ELECTRIC	307 SUBURBAN AVE.	DEER PARK, NY 11729	40,940
BURLODGE USA INC	3760 INDUSTRIAL DRIVE (336) 776-1010	WINSTON SALEM NC 27115	26,776
OMEGA ENVIROMENTAL SERVICES	280 HUYLER ST.	SOUTH HACKENSACK,	18,810

		NJ 07606	
DEPENDABLE DENTAL	1347 LINCOLN AVE (631) 738-9729	HOLBROOK NY 11741	16,032
THYSSEN KRUPP ELEVATOR	PO BOX 933004	ATLANTA GA 31193-3004	-
M TUCKER & CO INC	1200 MADISON AVE	PATTERSON NJ 07503	
PARK EAST CONSTRUCTION	266 EAST JERICHO TPKE	S HUNTINGTON NY 11746	

SECURED PARTIES

SEE LIEN SEARCH RESULTS

**CURRENT AND FORMER OFFICERS AND DIRECTORS OF LONG BEACH
MEDICAL CENTER**

<u>CHAIRMAN:</u> Bernard Kennedy	87 Garden City Ave. Point Lookout, NY 11569
<u>VICE CHAIRMAN:</u> James Portnof	25 Greenway Rd., Lido Beach, NY 11561
<u>PRESIDENT & CEO</u> Douglas L.Melzer	1926 Cynthia Lane Merrick, NY 11566
<u>TREASURER</u> Michael Tribush	263 Regent Drive Lido Beach, NY 11561
<u>SECRETARY</u> Martin Kaminsky	32 Reynolds Drive Lido Beach, NY 11561
<u>VICE PRESIDENT:</u> Ronald Conklin	18 Mineola Ave. PO Box 571 Pt.Lookout, NY 11569
<u>VICE PRESIDENT:</u> Theodore Hommel	855 East Broadway, Apt. 4D Long Beach, NY 11561
<u>CFO:</u> Barry Stern	1440 E. 29 th Street Brooklyn, NY 11210
<u>TRUSTEES:</u>	
Joel Benowitz, M.D.*	978 Gerry Avenue Lido Beach, NY 11561
Joseph Brown	323 Harbor Dr. Lido Beach, NY 11561
Raymond Jude Ellmer,	560 West Broadway, 6A

Esq.	Long Beach, NY 11561
Michael Kerr	19 Artisan Avenue West Hills, NY 11743
Edward Levie	159 National Blvd. Long Beach, NY 11561
Geraldine McGann	42 Roosevelt Place Island Park, NY 11558
William Polignani, Esq.	P.O. Box 420 (925 West Park Avenue) Long Beach, NY 11561
Donald Press, Esq.	443 East Penn Street Long Beach, NY 11561
Joseph Prinzivalli	P.O. Box 84 123 Lynbrook Avenue Point Lookout, NY 11569
Robert Reder, Esq.	403 E. Boardwalk, Apt. 804 Long Beach, NY 11561
Jeffrey Schaffer, M.D.*	760 East Park Avenue Long Beach, NY 11561
Andrew B. Sloane	116 Coolidge Avenue Long Beach, NY 11561
Harish Sood, M.D.	267 Lincoln Blvd. Long Beach, NY 11561
John A. Vitale	465 Remsens Lane Upper Brookville, NY 11771
Lee Weitzman, M.D.*	325 W. Park Ave Long Beach, NY 11561
EMERITUS:	
Joseph Ezratty	27110 Grand Central Pkwy Apt. 30N Floral Park, NY 11005
Hon. Jerome Fleischman	241 W. Olive St. Long Beach, NY 11561
Arthur J. Kremer	1111 Park Ave. New York, NY 10128
George Miller, MD	195 Regent Drive Lido Beach, NY 11561
Edward Steinberg	100 Sunrise Ave. - Apt. 311 Palm Beach, FL 33480

Deceased Board Members as of December 2012:

Alfred I. Osterland – Chairman of the Board
181 Greenway Drive
Lido Beach, NY 11561

Edward Levie -- Trustee
159 National Blvd.
Long Beach, NY 11561

Irwin Lederer -- Trustee
442 Oceanfront
Long Beach, NY 11561

Former Chief Financial Officer:

Lewis Z. Cohn, Jr.
257 Union Avenue
Lynbrook, NY 11563

Exhibit B

Waiver Letter

GARFUNKEL WILD, P.C.

ATTORNEYS AT LAW

111 GREAT NECK ROAD • GREAT NECK, NEW YORK 11021

TEL (516) 393-2200 • FAX (516) 466-5964

www.garfunkelwild.com

BURTON S. WESTON

Partner/Director

Email: bweston@garfunkelwild.com

Direct Dial: (516) 393-2588

FILE NO.: 00144/1308

February 18, 2014

Mr. Richard Murphy
President and Chief Executive Officer
South Nassau Communities Hospital
One Healthy Way
Oceanside, New York 11572

Mr. Douglas Melzer
President and Chief Executive Officer
Long Beach Medical Center
455 E. Bay Drive
Long Beach, New York 11561

Re: Legal Representation/Waiver of Conflict

Dear Richard and Douglas:

As you know, Garfunkel Wild P.C. ("GW") has been asked to represent Long Beach Medical Center and Long Beach Memorial Nursing Home (collectively, "Long Beach") in connection with its efforts to prepare and prosecute a Chapter 11 case to facilitate the sale of substantially all of its assets to South Nassau Communities Hospital ("SNCH") and to address its existing indebtedness (the "Chapter 11 and Sale"). GW does not represent SNCH in connection with the Chapter 11 and Sale. However, GW has and will continue to provide legal services to SNCH in other unrelated matters.

While GW's representation of Long Beach in connection with the Chapter 11 and Sale raises a potential conflict of interest due to GW's representation of SNCH in other unrelated matters, we understand that each of you has agreed to waive any such conflict and allow GW to represent Long Beach in this matter. In the unlikely event a dispute shall arise in the future between Long Beach and SNCH in connection with the Chapter 11 and Sale, GW will not represent Long Beach or SNCH in such dispute absent your cons. However, GW may continue to represent each of Long Beach and SNCH in all other unrelated matters.

NEW YORK

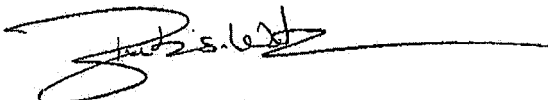
NEW JERSEY

CONNECTICUT

Richard Murphy
Douglas Melzer
February 19, 2014
Page 2

If this is acceptable, please sign where indicated below and return a copy to me. A signed pdf shall be deemed to be an original and this letter may be executed in counterparts, each of which shall be considered an original.

Sincerely,



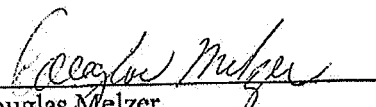
Burton S. Weston

Consented to and Approved

South Nassau Communities Hospital

Richard Murphy,
President and Chief Executive Officer

Long Beach Medical Center and Long Beach
Memorial Nursing Home

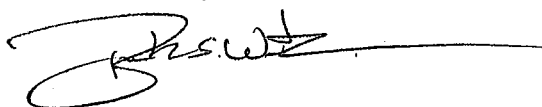


Douglas Melzer
President and Chief Executive Officer

GARFUNKEL WILD, P.C.

Richard Murphy
Douglas Melzer
February 19, 2014
Page 2

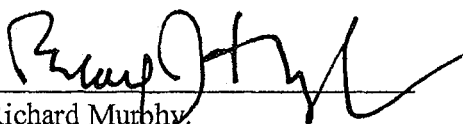
Sincerely,



Burton S. Weston

Consented to and Approved

South Nassau Communities Hospital



Richard Murphy
President and Chief Executive Officer

Long Beach Medical Center and Long Beach
Memorial Nursing Home

Douglas Melzer
President and Chief Executive Officer

GARFUNKEL WILD, P.C.